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 Ta Chong Bank Ltd.

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 U.S. BANKRUPTCY COURT  
 NORTHERN DIST. OF CA.  
 OAKLAND, CA.

**BY FAX**

9 UNITED STATES BANKRUPTCY COURT

10 NORTHERN DISTRICT OF CALIFORNIA

11 OAKLAND DIVISION

13 In re:

14 CYBERHOME ENTERTAINMENT, INC.

15 Debtor.

) Case No. 06-41544 J7  
 ) (Chapter 7)

) **RESPONSE OF TA CHONG BANK**  
 ) **LTD. TO MOTION FOR**  
 ) **ORDER AUTHORIZING TRUSTEE TO**  
 ) **SELL PROPERTY OF THE ESTATE**  
 ) **FREE AND CLEAR OF INTERESTS**

)  
 ) Date: October 5, 2006  
 ) Time: 3:00 p.m.  
 ) Place: 1300 Clay Street  
 ) Courtroom 215  
 ) Oakland, CA 94612

21 Ta Chong Bank Ltd. ("TCB"), a secured creditor in the  
 22 above matter, herein files this response to motion for order  
 23 authorizing trustee to sell property of the estate free and clear  
 24 of interests.

25 **1. INTRODUCTION.**

26 Cyberhome Entertainment, Inc. ("Debtor") filed a  
 27 voluntary petition under Chapter 7 of the Bankruptcy Code on  
 28

1 September 5, 2006. The Debtor was a distributor of home  
2 electronics equipment and related products. The Debtor's  
3 schedules reflect approximately \$52 million in assets and \$65.5  
4 million in liabilities. TCB is a banking entity with its  
5 principal place of business located in Taipei, Taiwan. It is  
6 listed in the Debtor's Schedule D as a secured creditor with a  
7 claim of \$42,319,407, i.e., approximately 64% of the Debtor's  
8 total liabilities. The Debtor's assets appear to consist of  
9 approximately \$42 million in accounts receivable, \$200,000 in  
10 cash, and \$10 million in inventory and office equipment. By the  
11 instant motion, the Chapter 7 Trustee proposes to sell the  
12 inventory and office equipment by auction.

13 TCB has only recently retained counsel in this matter  
14 inasmuch as it is located in Taiwan and needed to retain counsel  
15 in the United States. As such, it respectfully requests a short  
16 continuance of the hearing on this matter. TCB has not had an  
17 adequate opportunity to review and analyze the Debtor's schedules  
18 and financial condition to determine whether the proposed auction  
19 would provide maximum benefit to the estate. TCB is not in a  
20 position to determine whether it will support or oppose the  
21 proposed sale but, as the largest secured creditor of the estate,  
22 it respectfully requests adequate time to make that  
23 determination.


24 **2. CONCLUSION.**

25 For this reason, TCB respectfully requests that the  
26 hearing on this matter be continued for 30 days to allow it  
27 adequate time to review and analyze the Debtor's schedules and  
28 financial condition.

1 In the alternative, if the Trustee's motion is granted,  
2 TCB requests that the Court order that the proceeds from the sale  
3 be placed in an interest bearing account, subject to disbursement  
4 only by subsequent order of the Court or by stipulation of the  
5 parties.

6  
7 Dated: October 2, 2006

CORPORATE STRATEGISTS  
ATTORNEYS AT LAW

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10   
11 Cedric T. Chou  
12 James A. Shalvoy  
13 Attorneys for Creditor  
14 Ta Chong Bank Ltd.  
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**PROOF OF SERVICE**  
**In re Cyberhome Entertainment, Inc.**  
**Case No. 04-41544 J7**

I, James A. Shalvoy, declare:

1. I am over the age of 18 and not a party to the within action. My business address is 1201 Morningside Drive, Suite 215, Manhattan Beach, California 90266.

2. On October 2, 2006, I served documents described as:


Response of Ta Chong Bank Ltd. to motion for order authorizing trustee to sell property of the estate free and clear of interests on the parties to this action by causing same to be transmitted by facsimile to:

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United States Trustee  
1301 Clay Street, Suite 690N  
Oakland, CA 94612  
Fax 510-637-3220

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed at Manhattan Beach, California on October 2, 2006.

  
James A. Shalvoy